

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF AIRVIEW ESTATES,)	
INC. FOR A RATE ADJUSTMENT PURSUANT)	CASE NO.
TO THE ALTERNATIVE RATE FILING)	91-104
PROCEDURE FOR SMALL UTILITIES)	

O R D E R

On March 29, 1991, Airview Estates, Inc. ("Airview") applied for a rate adjustment pursuant to Commission Regulation 807 KAR 5:076. The proposed rates for sewer service would generate additional annual operating revenues of \$18,022, an increase of 75 percent over test-period normalized revenues.

On April 22, 1991, Commission Staff conducted a field review of Airview's test-period financial records. Based upon this review, it issued a report on August 8, 1991 recommending that Airview be allowed to increase its annual operating revenues by only \$9,910.

By letter dated August 8, 1991, all parties were advised to file comments on the Staff Report or request a hearing no later than August 23, 1991 or this case would stand submitted to the Commission for decision. No comments on the Staff Report or requests for hearing have been received.

The Commission, after considering the evidence of record and being otherwise sufficiently advised, finds that:

1. The recommendations and findings contained in the Staff Report are supported by the evidence of record, are reasonable,

and are hereby adopted as the findings of the Commission in this proceeding and are incorporated by reference as if fully set out herein.

2. The rate set forth in Appendix A, which is attached hereto and incorporated herein, is the fair, just, and reasonable rate for Airview and will produce gross annual revenues of \$34,110. This rate will allow Airview sufficient revenue to meet its operating expenses and provide for future growth equity, including provisions for servicing its debt.

3. The rate proposed by Airview would produce revenues in excess of that found reasonable herein and should be denied.

IT IS THEREFORE ORDERED that:

1. The rate proposed by Airview in its application is denied.

2. The rate proposed by Airview and contained in Appendix A is approved for service rendered by Airview on and after the date of this Order.

3. Within 30 days of the date of this Order, Airview shall file with the Commission its revised tariff setting out the rate approved herein.

Done at Frankfort, Kentucky, this 4th day of September, 1991.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman

ATTEST:


Executive Director

Commissioner

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 91-104 DATED 9/04/91

The following rate is prescribed for water service to customers of Airview Estates, Inc. All other rates and charges not specifically set forth herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

Single Family Residential

\$15.70 per month